



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 9, 1998

H.R. 2327

Drive for Teen Employment Act

*As ordered reported by the House Committee on Education and the Workforce
on April 1, 1998*

H.R. 2327 would amend the Fair Labor Standards Act of 1938 (FLSA) to permit minors between the ages of 16 and 18 to operate motor vehicles on the job under certain conditions. Except in specific instances, current FLSA provisions restrict children from operating motor vehicles on the job. CBO estimates that enactment of this bill would have no significant impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

H.R. 2327 would modify an existing mandate as defined in the Unfunded Mandates Reform Act of 1995 (UMRA). This mandate affects both private-sector employers as well as state and local governments in their capacity as employers. (CBO is uncertain whether this mandate applies to tribal governments.) The bill would codify certain existing regulations while relaxing others. One provision--prohibiting employers from allowing minors to drive more than 50 miles from their place of employment--would represent a new mandate on those employers. Based on information from the Department of Labor, CBO estimates that the net effect of the bill would be to reduce the cost to employers of complying with the requirements of FLSA.

This estimate was prepared by Christina Hawley Sadoti (federal cost), Marc Nicole (impact on state, local, and tribal governments), and Bruce Vavrichek (impact on the private sector).

This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.